

**TESTIMONY BEFORE THE HOUSING COMMITTEE**  
**2/5/15**

Evonne Klein, Commissioner  
Department of Housing

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Senator Winfield, Representative Butler and members of the committee. Thank you for the opportunity to submit written testimony regarding HOUSE BILL 5577: AN ACT REPEALING THE AFFORDABLE HOUSING LAND USE APPEALS PROCEDURE as well as SENATE BILLS 123, 172, 403, 407, HOUSE BILLS 5055, 5057, 5254, 5306, 5576, 5578, 5579, 5581, 5582, 5802, 5803, 5804, 6126, 6127, 6128, 6129, 6130, 6131, 6135, 6139, 6140, 6145, and 6146 which are all on the agenda today and affect section 8-30g of the general statutes.

The Department of Housing (DOH) staunchly opposes any legislation that would weaken the Affordable Housing Land Use Appeals Procedure law (appeals procedure), impeding the production of new affordable housing units. For over two decades the appeals procedure has helped to create thousands of affordable housing units – directly and indirectly – while combating exclusionary zoning and furthering fair housing.

There is no denying the need for these units in Connecticut. Far too many individuals and families are “rent burdened,” paying more than 30% of their income on housing costs, and the proportion of households paying more than 50% of their incomes is staggering, especially among low and extremely low income households. Not surprisingly, housing costs are especially high, and often out of reach for many in the state’s workforce, in the communities where there is the most job growth. This is unsustainable. The financial burden of excessively high housing costs prevents families from affording other critical needs such as healthcare, warm clothing, and nutritious food. It further inhibits individuals and families from saving money, forcing them into the precarious position of being one costly emergency away from becoming homeless.

A critical component of Governor Malloy’s efforts to invest Connecticut’s economy is increasing access to safe, quality and affordable housing throughout the state. Since taking office in 2011, Governor Malloy has invested more than half a billion dollars in affordable housing initiatives. However, years of limited funding prior to the Malloy administration has left the state playing catch-up to meet the demand for affordable housing. Only 31 municipalities currently meet the 10% threshold set forth in the law (municipalities with less than 10% affordable housing are subject to the appeals procedure). The majority of the remaining 138 municipalities have less than 5% affordable housing in their communities. Now that the state has funding to support development, the appeals procedure is a critical tool to promote the growth of affordable housing statewide.

All municipalities in Connecticut are required under section 8-2 of the general statutes to “encourage the development of housing opportunities, including opportunities for multifamily dwellings” and to “promote housing choice and economic diversity in housing, including housing for both low and moderate income households.” However, there is no vehicle for enforcement under section 8-2. Twenty-five municipalities do not permit new construction of multifamily housing, the most common and financially feasible type of affordable housing. Restrictive zoning in the form of low density, large lot size and high floor area requirements is a major barrier to fair housing as well as the production of affordable housing in the state. For example, one municipality requires 70 acres for multifamily housing, but only 1 acre for single-family housing. DOH, in partnership with the Connecticut Fair Housing Center, is developing model zoning ordinances for municipalities, but adoption is on a voluntary basis.

Unfortunately, local zoning barriers and a “not in my backyard” mentality would effectively halt the development of affordable housing in many communities if the appeals procedure were not available. The appeals procedure helps to create affordable housing opportunities for low- to moderate-income individuals and families to live in communities where such opportunities do not exist, where these individuals and families can have access to quality schools, safe streets, public transit, and employment opportunities. Numerous well-designed, successful mixed-income developments have been built as a direct result of the appeals procedure, such as Old Farms Crossing in Avon, Oak Village in Wallingford, and Avalon Apartments in Darien.

The appeals procedure is also effective indirectly. The 10% threshold encourages municipalities to consider devising affordable housing plans to meet affordable housing need in ways that best suit their individual communities. Several communities, such as Berlin, have been spurred by the appeals procedure to formulate affordable housing plans, employing the 4-year moratorium option available under the law as a window for producing low- and moderate-income housing that best fits into their community. The construction of affordable housing during one moratorium can qualify a municipality for another, enabling the municipality to incrementally progress towards the 10% threshold during these exemption periods.

Many opponents of the appeals procedure argue that they are not against the creation of affordable housing; they simply believe municipal officials should retain control of local affordable housing development. DOH agrees that municipal leaders should proactively plan for and encourage the creation of affordable housing in their communities. During my tour of the towns, I encouraged numerous local leaders to adopt inclusionary zoning ordinances, requiring developers to set aside a certain percentage of new units for low or moderate income individuals and families. More municipalities would qualify for moratoriums if they followed through with these efforts. DOH has an open door policy, welcoming municipal leaders to meet with me and department staff to discuss how best to produce new affordable housing that fits their community, and we regularly have such meetings. Such “hands-on” engagement is critical but it is not sufficient by itself to ensure that the requirements of Section 8-2 are fully realized.

Thanks to Governor Malloy’s financial commitment to housing, DOH has the funding to support new affordable housing construction envisioned and completed in close collaboration with municipal leadership. DOH also funds the Incentive Housing Zone (IHZ) program, which provides technical assistance funding and financial incentives to municipalities to adopt zoning regulations that enable the production of mixed-income housing. But again, incentives alone do little to increase community affordability.

Since the IHZ program’s inception in 2008, the state has provided technical assistance to 69 municipalities. Only 8 of these municipalities have adopted approved zones and just 2 of these have completed housing projects in their approved IHZs. DOH is proposing legislation this session that would lower the density requirements and increase the financial incentives for municipalities under this program. We believe these changes will increase the effectiveness of the program and result in more affordable housing construction but these added incentives alone will not produce enough new housing to meet the needs of Connecticut’s residents.

DOH strives to ensure that all Connecticut’s citizens have access to safe, affordable housing. We know this housing forges vibrant, diverse communities, enabling low- to moderate-income young professionals to move back to their hometowns, seniors to remain in their communities, and Connecticut’s workforce to live near their employment. We know we are better able as a state to attract and retain businesses and promote stronger families when housing costs are reasonable. DOH continues to meet with local elected officials, housing authorities, planning and zoning personnel and commissioners, developers, and others to collaborate on local solutions on how to overcome impediments to the creation and preservation of affordable housing. However, we need the appeals procedure in order to compel communities to acknowledge the importance of affordable housing and to entice them into action.